

Why globalisation is still flourishing

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MSC

Punit Oza, founder of Singapore consultancy Maritime NXT, takes issue with this week's comments from the head of the International Union of Marine Insurance (IUMI) who said he felt globalisation was coming to a close.

I recently read the [head of IUMI state that globalisation is at its end](#). As an industry professional and as a student and lecturer in geopolitics and shipping, let me offer a rebuttal.

Globalisation, despite recent disruptions like the covid pandemic and rising geopolitical tensions, is still flourishing. Let me demonstrate its resilience and continued expansion via the following points.

Digital connectivity and technological advancements

The digital revolution has significantly boosted globalisation by making the world more interconnected than ever before. E-commerce, online communication platforms, and cloud services have created a borderless economy, enabling businesses to reach global markets instantaneously.

Companies like Amazon, Alibaba, and Netflix thrive on international audiences, while remote work and virtual collaboration have become staples of modern life, amplifying global interdependence. Shipping companies and their speed in embracing digital connectivity – both on shore and on ship – make a further case for global connectivity and therefore globalisation.

Resilience of global supply chains

While supply chains were temporarily disrupted by the pandemic, global trade has adapted. Companies have diversified their supply chains, making them more robust rather than pulling back from globalisation. The rise of ‘friend-shoring’ and regional supply networks has enhanced the stability of global trade without abandoning cross-border economic activity. While the threats of tariffs and trade barriers remain, including a Trump impact, supply chains are much more global than ever before. Even during the previous Trump term, trade flows changed but never shrunk.

Global trade and economic interdependence

International trade volumes continue to grow, demonstrating that economies are deeply interconnected. For example, despite trade tensions, the trade relationship between major economies like the US and China remains substantial. The rise of emerging economies like India, Vietnam, and Mexico further shows the shifting landscape, but not a retreat from globalisation. Organisations like the World Trade Organization (WTO) and new trade agreements (e.g., CPTPP, RCEP) reinforce global commerce.

Cross-cultural exchange and migration

Globalisation has always been about more than just economics—cultural globalisation is also flourishing. Streaming services spread diverse content across borders, and global migration, while politically contested in some regions, continues at substantial levels, enriching societies with a blend of cultural influences. Social media platforms like Instagram, TikTok, and YouTube allow ideas, music, fashion, and lifestyles to spread across the globe within seconds, contributing to a globalised cultural landscape. These demographic preferences of truly global citizens, be they in Asia or Africa or Middle East, bode well for globalisation.

Global response to challenges

Major global issues such as climate change, health crises, and technological regulation require collective action, driving further globalisation. The international community’s cooperation on vaccine distribution, despite some setbacks, exemplifies the need for shared solutions in an interconnected world. Efforts like the Paris Climate Agreement and global sustainability initiatives highlight how countries are compelled to work together to tackle transnational challenges.

The rise of global corporations

Multinational corporations continue to thrive, indicating that economic globalisation is alive and well. Most non-shipping companies like Apple, Tesla, and Unilever derive a substantial portion of their revenue from global markets, and their ability to innovate and scale across borders is a testament to the continuing relevance of a globalised economy. The top shipping companies are no different, having presence globally as well as serving a global customer base. Emerging markets are driving the growth of these corporations, cementing the global landscape as a key driver of business expansion.

In short, while globalisation may be evolving in response to changing political, economic, and technological realities, it is not in retreat. Its digital and cultural forms are expanding, and the economic forces that tie nations together remain powerful, ensuring that globalisation continues to flourish.

